

# SUSPENSION



## COUNTY OF ERIE

**DAVID J. SHENK  
COMPTROLLER**

September 27, 2012

The Honorable  
Erie County Legislature  
92 Franklin Street, 4<sup>th</sup> Floor  
Buffalo, NY 14202

**Re: External Quality Review – Division of Audit and Control  
SUSPENSION OF THE RULES**

Dear Honorable Members:

Please find attached a resolution requesting authorization to enter into a contract with The Bonadio Group, a professional services accounting and auditing firm, to conduct the County's mandatory triennial external quality review of the Comptroller's Division of Audit and Control.

If you have any questions, please do not hesitate to contact me.

Sincerely yours,

A handwritten signature in blue ink, reading "David J. Shenk".

David J. Shenk  
Erie County Comptroller

DJS  
Attachment

## **MEMORANDUM**

**To:** Erie County Legislature  
**From:** Office of the Comptroller  
**Re:** External Quality Review – Division of Audit and Control  
**Date:** September 27, 2012

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### **SUMMARY**

It is recommended that the County Comptroller be authorized to execute a contract with The Bonadio Group to conduct the mandatory external quality review of the Comptroller's Division of Audit and Control.

### **FISCAL IMPLICATIONS**

Funding is available in the Comptroller's 2012 Adopted Budget in Professional Services, Account 516020.

### **REASONS FOR RECOMMENDATION**

Pursuant to the Erie County Charter and Government Auditing Standards, the U.S. Government Accountability Office requires governmental auditors to conduct an external quality review (i.e. "peer review") every three years.

### **BACKGROUND INFORMATION**

Under Government Auditing Standards, the U.S. Government Accountability Office requires governmental auditors to conduct an external quality review (i.e. "peer review") every three years. The County's last peer review was issued in January 2010 for the period January 1, 2006-December 31, 2008. A new peer review is required for the period January 1, 2009-December 31, 2011.

### **CONSEQUENCES OF NEGATIVE ACTION**

The County will be unable to conduct the peer review and be in compliance with the Erie County Charter and Government Auditing Standards.

### **STEPS FOLLOWING APPROVAL**

The County will execute a contract with The Bonadio Group.

**A RESOLUTION SUBMITTED BY  
OFFICE OF THE ERIE COUNTY COMPTROLLER**

**RE: External Quality Review – Division of Audit and Control**

**WHEREAS, under pursuant to the Erie County Charter and the U.S. Government Accountability Office Government Auditing Standards, the Erie County Comptroller's Office is required to conduct an external quality review of its Division of Audit and Control; and**

**WHEREAS, the last such review of the Division of Audit and Control was completed in January 2010 for the period January 1, 2006 to December 31, 2008; and**

**WHEREAS, on June 1, 2012, this office released a request for proposals ("RFP") and disseminated such request to twenty one (21) accounting firms; and**

**WHEREAS, upon the close of the response period on July 13, 2012, six (6) firms responded to the RFP, up from four in 2009; and**

**WHEREAS, following a review of the responses from Amato, Fox & Co. PC, Clifford Accounting Services, LLC, Freed Maxick; Buffamante Whipple Buttafaro; The Bonadio Group; and Honkamp Krueger, our office selected The Bonadio Group, a professional services accounting and auditing firm which conducted the County's external quality review in 2007; and**

**WHEREAS, in order to start the review, legislative approval of a contract/engagement letter with The Bonadio Group is necessary.**

**NOW, THEREFORE, BE IT**

**RESOLVED, that the Erie County Legislature does hereby approve the Erie County Comptroller's engagement of The Bonadio Group to perform an external quality review of the Comptroller's Division of Audit and Control at a cost of no more than \$8,000; and be it further**

**RESOLVED, that certified copies of this resolution be transmitted to the Erie County Comptroller, Director of Budget and Management, and the County Attorney's Office.**